



Department of Justice

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**NUTRITE CORP. PLEADS GUILTY AND AGREES TO
PAY \$1.5 MILLION FINE FOR PRICE FIXING**

WASHINGTON, D.C. -- An Allentown, Pennsylvania explosives company pleaded guilty today and agreed to pay a \$1.5 million criminal fine for conspiring to fix the price of ammonium nitrate it sold in the United States, said the Department of Justice. Ammonium nitrate is used to make commercial explosives.

Thus far, 12 other explosives manufacturers and distributors and two individuals have pleaded guilty to similar conspiracies in the Department's ongoing antitrust investigation of the explosives and ammonium nitrate industries. Including today's fine, the violations have resulted in an industry-wide total of nearly \$40 million in criminal fines.

According to the charges filed in U.S. District Court in Pittsburgh, Nutrite Corp.--formerly known as Nitrochem Corp.--and co-conspirators discussed and exchanged information about their future pricing plans and about the future pricing plans of other competitors. The conspiracy took place during May 1992.

"The Justice Department will continue to prosecute perpetrators of antitrust violations to the fullest extent of the law," said Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division.

Ammonium nitrate can be combined with other chemicals to produce explosives, such as ANFO (ammonium nitrate combined with fuel oil), which are used in the mining, construction, and oil and gas exploration industries. Total sales of explosives and ammonium nitrate exceed \$1 billion annually in the United States.

This case was handled by the Division's Litigation I Section with the assistance of the Federal Bureau of Investigation.

The maximum penalty for a corporation convicted of a Sherman Act violation is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greater.

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